

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

In re:) Chapter 11
)
Core Scientific, Inc., <i>et al.</i> ¹) Case No. 22-90341 (DRJ)
)
Debtors.) (Jointly Administered)
)

NOTICE OF PERFECTION OF MECHANIC'S LIEN BY CONDAIR INC.
PURSUANT TO 11 U.S.C. §546(b)(2)

Condair Inc. ("Condair"), by and through the undersigned counsel, hereby provides notice of perfection of its materialman and mechanics lien under 11 U.S.C. §546(b)(2).

1. Section 546(b)(2) of the Bankruptcy Code provides that when applicable law requires seizure of property or commencement of an action to accomplish perfection, or maintenance or continuation of perfection of an interest in property, the claimant may file a notice with the Bankruptcy Court, in lieu of such seizure or commencement.

2. Condair is a corporation which entered into a contract with Core Scientific Inc. ("Core Scientific") wherein Condair provided labor, material, and equipment for the improvements to the real property located at 3015 Ranch Road and 516, Barstow, Texas 79719 (the "Real Property") (collectively, the "Cedarvale Project").

3. The total amount due and owing to Condair, pursuant to Texas Statutory Liens, up through December 21, 2022 (the "Petition Date"), for the Cedarvale Project is at least \$1,319,788.93, exclusive of accruing interest, attorney's fees and other charges.

¹ A complete list of each of the Debtors in these chapter 11 cases may be obtained on the website of the Debtors' proposed claims and noticing agent at <https://cases.stretto.com/corescientific/>. The location of Debtor Cineworld Group plc's principal place of business and the Debtors' service address in these chapter 11 cases is: 210 Barton Springs Road, Suite 300, Austin, Texas 78704.

4. The 546-interest perfected or maintained or continued, hereby extends in and to the Real Property, improvements, and/or leasehold interest in the Real Property. A true and correct copy of Condair's Lien Statement and Affidavit (the "Lien Filing") is attached hereto as **Exhibit A**.

5. Pursuant to 11 U.S.C. §546(b)(2), Condair hereby provides notice to the Debtors, Debtors' counsel, any DIP Lender, and the Office of the U.S. Trustee of Condair's rights as a perfected lienholder in the Real Property, improvements, and/or leasehold interest in the Real Property pursuant to the Texas materialman and mechanic's lien law. *See* TEX. PROP. CODE § 53.001 *et seq.* Condair is filing this notice to preserve, perfect, maintain and continue its rights in the Real Property, improvements, and/or leasehold interest in the Real Property under Texas state law in order to comply with the requirements of Texas materialman and mechanic's lien law and Section 546(b)(2) of the Bankruptcy Code. This notice constitutes the legal equivalent of having recorded a mechanic's lien in the recorder's office for the county where the property in question is located and then having commenced a suit to foreclose the lien in the proper court. Further, pursuant to Section 362(b)(3) of the Bankruptcy Code, neither this notice, nor the Lien Filing, is a violation of the Bankruptcy Code's automatic stay provision. Accordingly, by reason of this notice, the Debtors and other parties in interest are estopped from claiming that the lawsuit to enforce the Mechanic's Lien was not timely commenced pursuant to applicable state law. Condair intends to enforce its Mechanic's Lien rights to the fullest extent permitted by applicable law. Condair reserves its rights to amend or supplement the lien claims against the Debtors as articulated herein for any reason or cause of action whatsoever.

6. The filing of this notice shall not be deemed to be a waiver of Condair's rights to seek relief from the automatic stay to foreclose on its liens and/or any other rights or defenses.

7. The filing of this notice shall further not be construed as an admission that such filing is required under the Bankruptcy Code, the Texas materialman and mechanic's lien law, or any other applicable law. Additionally, Condair hereby makes no admission of fact or law and asserts that its lien is senior to and effective against entities that may have acquired rights in the Real Property previously and reserves all rights to amend and/or supplement this notice.

Dated: December 30, 2022

Respectfully submitted,

VORYS, SATER, SEYMOUR AND PEASE LLP

/s/ John S. Collins

John S. Collins [TBN 24087327]

jscollins@vorys.com

909 Fannin, Suite 2700

Houston, Texas 77010

(713) 588-7000 Telephone

(713) 588-7050 Facsimile

Counsel for Condair Inc.

CERTIFICATE OF SERVICE

I hereby certify that on December 30, 2022, a true and correct copy of the foregoing Notice of Perfection was served via the Court's Electronic Notification System on all parties requesting such notice.

By: /s/ John S. Collins

John S. Collins